

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Lodi Post Office
Lodi, Texas 75564

Docket No. A2012-26

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(December 15, 2011)

On October 20, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked October 11, 2011, from postal customer Tammy Cornett ("Petitioner Cornett") objecting to the discontinuance of the Post Office at Lodi, Texas.¹ On October 27, 2011, the Commission issued Order No. 931, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d).² Petitioner Cornett filed a Participant Statement in support of the petition on November 22, 2011.³ On November 7, 2011, the Commission received an additional petition from Robert Calhoun ("Petitioner Calhoun"),⁴ who also filed a Participant Statement on November 28, 2011.⁵ The Postal Service filed the administrative record with the

¹ Petition for Review received from Tammy Cornett regarding the Lodi, TX Post Office 75564, PRC Docket No. A2012-26, October 20, 2011.

² PRC Order No. 931, Notice and Order Accepting Appeal and Establishing Procedural Schedule, PRC Docket No. A2012-26, October 27, 2011.

³ Participant Statement received from Tammy Cornett, PRC Docket No. A2012-26, November 22, 2011.

⁴ Petition for Review received from Robert Calhoun regarding the Lodi, TX Post Office 75564, PRC Docket No. A2012-26, November 7, 2011.

⁵ Participant Statement received from Robert Calhoun PRC Docket No. A2012-26, November 28, 2011.

Commission in accordance with Order No. 931 on November 4, 2011,⁶ and filed a corrected version of the administrative record on November 22, 2011.⁷

Petitioner Cornett and Petitioner Calhoun, in their initial letters of appeal and Participant Statements, raise four issues: (1) the impact on the provision of postal services, (2) the impact upon the Lodi, Texas community, (3) the calculation of economic savings expected to result from discontinuing the Lodi, Texas Post Office, and (4) the impact upon postal employees. As reflected in the administrative record of this proceeding, consistent with the Postal Service's statutory obligations and Commission precedent,⁸ the Postal Service gave consideration to these and a number of other issues. Accordingly, the determination to discontinue the Lodi, Texas Post Office should be affirmed.

Background

The Final Determination To Close the Lodi, TX Post Office and Establish Service by Rural Route Service ("Final Determination" or "FD")⁹, as well as the administrative record, indicate that the Lodi Post Office provides EAS-55 level service to 81 Post Office box or general delivery customers and no carrier delivery customers. The Lodi Post Office provides service from "07:30 – 12:00 - 13:00 – 15:30 Monday – Friday, [c]losed Saturday and lobby hours of 24 hours on Monday – Friday and 24 hours on

⁶ United States Postal Service Notice of Filing Administrative Record, PRC Docket No. A2012-26, November 4, 2011.

⁷ United States Postal Service Notice of Filing Corrected Administrative Record – [Errata], PRC Docket No. A2012-26, November 22, 2011.

⁸ See 39 U.S.C. 404(d)(2)(A).

⁹ The Final Determination can be found at Item No. 47 in the Administrative Record. All citations to the Final Determination will be to "FD at ____," rather than to Item 47. The FD page number refers to the pages as marked on the upper right of the document. Other items in the administrative record are referred to as "Item ____."

Saturday.”¹⁰ The postmaster of the Lodi Post Office retired on September 30, 2007.¹¹ Since the postmaster vacancy arose, an officer-in-charge (“OIC”) has been installed to operate the office.¹² The noncareer postmaster relief (“PMR”) serving as the OIC may be separated from the Postal Service.¹³ The average number of daily retail window transactions at the Lodi, Texas Post Office is 13, accounting for 15 minutes of workload daily. Revenue generally has been declining: \$8,861 in FY2008 (23 revenue units); \$8,042 in FY 2009(21 revenue units); and \$7,456 in FY2010 (19 revenue units).¹⁴

Upon implementation of the Final Determination, delivery and retail services will be provided primarily by rural route service under the administrative responsibility of the Jefferson Post Office, an EAS-18 level office located 9 miles away, which has 190 available Post Office Boxes.¹⁵ In addition, some addresses will receive rural route service emanating from the Bivins Post Office¹⁶ or from other Post Offices that already extend service near to other customers. This service will continue upon implementation

¹⁰ FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet (“Fact Sheet”); Item No. 36, Proposal to Close the Lodi, TX Post Office and Establish Service by Rural Route Service (“Proposal”), at 3; Item No. 41, Revised Proposal, at 2.

¹¹ See FD, at 2, 9; Item No. 1, Request/Approval to Study for Discontinuance; Item No. 21, Letter to Customer, at 1; Item No. 36, Proposal, at 3, 9; Item No. 41, Revised Proposal, at 2, 9. Petitioner Cornett, in her Participant Statement, at 6, states that Postmaster Millie Hughes retired on September 30, 2009, but notes that “this is an non-issue.”

¹² Petitioner Cornett, in her Participant Statement, at 12, states there is no postmaster vacancy, and refers to the definition of “postmaster” in the Postmaster Equity Act of 2003, Pub. L. No. 108-86, § 2 (c)(3), 117 Stat. 1052, 1053 (2003), which amends 39 U.S.C. § 1004(i)(3), by revising the definition of “postmaster.” However, as stated in 39 U.S.C. § 1004(i), the definitions provided in 39 U.S.C. § 1004(i) are “[f]or purposes of” 39 U.S.C. § 1004(i), which concerns “Supervisory and managerial organizations.” An OIC is not a “postmaster” under the law.

¹³ FD at 2, 8, 9; Item No. 21, Letter to Postal Customer from Manager, Post Office Operations, Coppell, Texas (“Letter to Customer”), at 1; Item No. 33, Proposal, at 2, 9. (Item No. 21, page 1 was filed in United States Postal Service Notice of Supplemental Filing, PRC Docket No. A2012-26, December 12, 2011.)

¹⁴ FD, at 2; Item No.18, Post Office Closing or Consolidation Proposal Fact Sheet (“Fact Sheet”); Item No. 36, Proposal, at 2; Item No. 41, Revised Proposal, at 2.

¹⁵ FD, at 2; Item No. 18, Fact Sheet; Item No. 36, Proposal, at 3, Item No. 41, Revised Proposal, at 2.

¹⁶ FD, at 3; Item No. 36, Proposal, at 4; Item No. 41, Revised Proposal, at 3.

of the Final Determination.¹⁷ Rural route service may be provided to cluster box units (“CBUs”), free-standing units of individually locked mail compartments installed and maintained by the Postal Service at no cost to the customer. Parcel lockers are also offered in conjunction with CBUs, so they would also be available wherever CBUs may be installed.¹⁸

The Postal Service followed the proper procedures that led to the posting of the Final Determination.¹⁹ All issues raised by the customers of the Lodi Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements.

In addition to the posting of the Proposal and Final Determination, notice was provided to customers through various means, and customers submitted their questionnaire responses in various ways. Copies of the cover letter and questionnaire, which are included as Item No. 20 in the administrative record, were distributed to all Post Office Box customers of the Lodi Post Office, and were also available over the counter for retail customers at the Lodi, Texas Post Office.²⁰ The cover letter from the Manager of Post Office Operations, Coppell, Texas, which was included with all copies of questionnaires distributed, advised customers that the Postal Service was evaluating whether to continue operation of the Lodi, Texas Post Office, and that effective and regular service could be provided through rural route service. The letter invited

¹⁷ FD at 2; Item No. 36, Proposal, at 3; Item No. 41, Revised Proposal, at 2.

¹⁸ FD at 2; Item No. 41, Revised Proposal, at 2.

¹⁹ The discontinuance of the Lodi Post Office was processed in accordance with the procedures set forth in Handbook PO-101, Post Office Discontinuance Guide, August 2004, Updated With Postal Bulletin Revisions Through August 2, 2007.

²⁰ FD at 2; Item No. 20, Questionnaire Instruction Letter from Post Office Review Coordinator to OIC/Postmaster at Lodi Post Office; Item No. 36, Proposal, at 3; Item No. 41, Revised Proposal, at 2.

customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route service.²¹ Forty two customers returned questionnaires. The letters sent by the Postal Service in response are included in the administrative record.²² In addition, representatives from the Postal Service were available for a community meeting on June 7, 2011, to answer questions and provide information to customers.²³ Customers received formal notice of the Proposal and Final Determination through postings in various local facilities. The Proposal was posted with an invitation for public comment for at least 60 days at the Lodi Post Office and the Jefferson Post Office from June 16, 2011 to August 17, 2011, and at the Bivins, Texas Post Office from June 16, 2011 to September 26, 2011.²⁴ Comments were received,²⁵ and a revised proposal was issued, which included a revised estimate of annual cost of replacement service and an additional one-time expense, and states that “[s]ervice may be provided to cluster box units.”²⁶ The Final Determination was posted at the Lodi Post Office, the Kildare Post Office, the Bivins Post Office, and the Jefferson Post Office from September 26, 2011 to October 28, 2011, as confirmed by the round-dated Final Determination cover sheets that appear in the administrative record as Item No. 49. Petitioner Cornett claims to have found inconsistencies for which she provides limited

²¹ Item No. 21, Letter to Customer, at 1

²² Item No. 22, Returned customer questionnaires and Postal Service response letters.

²³ FD, at 2; Item No. 21, Letter to Customer, at 1; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 36, Proposal, at 3; Item No. 41, Revised Proposal, at 2.

²⁴ FD, at 2; Item No. 36, Proposal, at 1-2, 10-13.

²⁵ See Item No. 38, Proposal Comments; Item 40, Analysis of Comments.

²⁶ Item No. 41, Revised Proposal, at 2, 9.

explanation; neither documenting nor explaining when she retrieved information from administrative records related to the discontinuance that were available in respective facilities. In connection with updates associated with the development of a Revised Proposal, various documents were updated. The administrative records made available at each of two stages of the discontinuance are all copies of a single original; differences thus arise when the original is updated. Petitioner Cornett may see no need to explain how she obtained her documents, especially because that would not be consistent with the story of confusion and inconsistency she strives to create. In the context of this proceeding, her claims do not arise to the level of substantial, credible record evidence.

In light of the postmaster vacancy; a minimal workload; low and decreasing office revenue;²⁷ the variety of delivery and retail options (including the convenience of rural delivery and retail service);²⁸ no projected population, residential, commercial, or business growth in the area;²⁹ minimal impact upon the community; and the expected financial savings,³⁰ the Postal Service issued the Final Determination.³¹ Regular and effective postal services will continue to be provided to the Lodi, Texas community in an effective manner upon implementation of the final determination.³²

Each of the issues raised by the Petitioners is addressed below.

²⁷ See note 13 and accompanying text.

²⁸ FD at 2-6, 8-9; Item No. 36, Proposal, at 3-6, 8-9; Item No. 41, Revised Proposal, at 2-6, 8-9.

²⁹ Item No. 16, Community Survey Sheet; FD, at 6.

³⁰ FD at 8; Item No. 18, Fact Sheet, at 1; Item No. 29, Proposal Checklist, at 2; Item No. 3[6], Proposal, at 9; Item No. 41, Proposal, at 9.

³¹ FD, at 9.

³² FD, at 2.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Lodi, Texas Post Office on postal services provided to Lodi, Texas customers. The closing is premised upon providing regular and effective postal services to Lodi, Texas customers.

Petitioner Cornett and Petitioner Calhoun, in their letters of appeal and Participant Statements, raise the issue of the effect of the Lodi Post Office's closing on postal services, noting the convenience of the Lodi Post Office and requesting its retention. The Petitioners express particular concern that the replacement service provided by the Postal Service will not provide a maximum degree of effective postal services because 1) customers' ZIP codes will change 2) misdelivered mail will increase; 3) the Kildare Post Office, which is mentioned in the FD, is also scheduled to be discontinued; 4) the discontinuance of the Lodi Post Office will be a hardship on those who have previously been denied home delivery; 5) customers will have to travel to, and incur the expense of traveling to, another Post Office; 6) customers will have more difficulty and incur more expense establishing, a new address; and 7) the Postal Service did not consider mail security issues related to rural route service. Each of these concerns was considered by the Postal Service and addressed, at least to the extent that these issues were raised during the underlying discontinuance study.

Petitioner Cornett expresses concern that customers' ZIP Code will change. At the community meeting, the Postal Service explained that customers can still use "Lodi,

Texas” as their address, but must use the ZIP Code of the Post Office from which the carrier route providing delivery emanates. Item No. 25, Community Meeting Analysis, at 1. The Postal Service has yet to finalize the rural route service that will replace the Lodi Post Office, but it will involve rural route service emanating from both Jefferson and Bivins Post Offices. Indeed, other offices may also be implicated depending upon where respective Lodi Post Office Box customers actually reside and where respective routes deliver mail.

Petitioner Calhoun, in his initial letter of appeal, states that misdelivered mail will increase. His certainty, however, is not supported by the administrative record. Misdelivery problems are sometimes noted in discontinuance studies, but actual problems are retrospective. While specific incidents of misdelivery can arise when delivery changes, such problems are, at worst, merely transitory as exemplified by the long and successful use of non-city delivery throughout the Nation. The Postal Service explained that this concern about misdelivery has been brought to the attention of the administrative postmaster, but has good reason for not expecting such problems to arise from discontinuance of the Lodi Post Office. The Postal Service regrets any inconvenience that customers experience due to misdelivery. The Postal Service considers misdelivered mail a very serious problem and appreciates when customers report misdelivered mail to the Postal Service, because it provides an opportunity to take corrective action. FD, at 2; Item No. 23, Customer Questionnaire Analysis, at 2; Item No. 36, Proposal, at 2; Item No. 41, Revised Proposal, at 2;

Petitioner Calhoun, in his initial letter of appeal and Participant Statement, expresses concern that the Kildare Post Office, which is mentioned in the proposal, is now also subject to a discontinuance study.³³ The discontinuance of the Kildare Post Office was initiated after the discontinuance of the Lodi Post Office, but the current availability of retail services at the Kildare Post Office is mentioned in the administrative record. The Postal Service is aware that compounded discontinuance actions can create cause for concern. However, in this instance, it does expect that the Kildare Post Office will be available to provide service if Lodi Post Office discontinuance is finalized according to schedule. The Commission has made clear that it is paying attention to such dependencies. But, the existence of the Kildare discontinuance study is not *per se* a bar to the discontinuance of the Lodi Post Office.

Petitioner Calhoun, in his initial letter of appeal and Participant Statement, expresses concern about those customers who have previously applied for and been denied home delivery because certain Postal Service guidelines related to road approval were not met. The Postal Service explained that the guidelines that govern extension of carrier delivery must be met prior to a road being approved for delivery. The road to be traveled must be maintained at all times of the year. It cannot dead end in a private driveway even if the drive is maintained by a municipality. There must be a suitable turning point provided for the carrier, preferably with no backing. If backing is involved, there are other guidelines to adhere to. If backing is necessitated, the

³³ The Kildare Post Office is included in the Retail Access Optimization Initiative, which is the subject of Docket No. N2011-1. See Request of the United States Postal Service for an Advisory Opinion on Changes in the Nature of Postal Services, PRC Docket No. N2011-1, July 27, 2011; USPS-LR-N2011-1/11 – RAO Initiative Candidate Facility Status Update, PRC Docket No. N2011-1, September 21, 2011.

Postmaster must verify it is in a low-traffic area and there are no children in the immediate vicinity on a regular basis. There must also be a minimum of one family per one-half mile of travel. If a customer has applied for and been denied an extension, that customer may wish to contact their local magistrate or other county official to determine if they can bring their road up to these standards. At that point, the customer may reapply for delivery. FD, at 4; Item No. 40, Analysis of 60-Day Posting Comments; Item No. 41, Revised Proposal, at 4.

Petitioner Calhoun expressed concern about those with limited mobility who are less able to go to a Post Office to pick up their mail. The Postal Service explained that customers are not required to travel to another Post Office to receive mail or obtain retail services. These services will be provided by the carrier to a roadside mailbox located close to customers' residences. In hardship cases, delivery can be made to the home of a customer. Changes in the types of delivery are considered where service by existing methods would impose an extreme physical hardship for an individual customer. The options to meet the needs of hardship qualified customers are also many and varied; the Postal Service will find ways to meet the needs of hardship qualified customers, but their needs do not determine decisions about what roads the Postal Service drives down to provide carrier delivery. Any request for a change in delivery must be submitted in writing to the administrative postmaster. FD, at 5; Item No. 41, Revised Proposal, at 4-5.

Petitioners Calhoun and Cornett in their Participant Statements express concern about having to travel to another Post Office, including the expense of having to travel

to another Post Office. The Postal Service explained that services provided at the Post Office will be available from the carrier, and customers will not have to travel to another Post Office for service. Most transactions do not require meeting the carrier at the mailbox. Stamps by Mail and Money Order Application forms are available for customer convenience. Stamps are also available at many stores and gas stations where customers may already shop, online at usps.com, or by calling 1-800-STAMP-24. Customers can also request redelivery of packages by calling this number or going online to USPS.com. FD, at 3; Item No. 23, Customer Questionnaire Analysis, at 3; Item No. 36, at 4; Item No. 41, Revised Proposal, at 3.

Petitioner Calhoun, in his Participant Statement, expresses concern about challenges related to address changes. The Postal Service is quite familiar with these challenges and does what it can to minimize the effect of address changes on customers. The Postal Service explained that customers will be assigned a 911 address. The new address may well include the community name of Lodi, Texas. Mail will be forwarded in accordance with postal regulations; mail forwarding proves successful and sufficient for millions of customers each year. Change of address forms are available online at usps.com or from the Postal Service to assist customers in notifying correspondents of the change. Item No. 23, Customer Questionnaire Analysis, at 3; Item No. 25, Community Meeting Analysis, at 1; Item No. 40, Analysis of 60-Day Posting Comments, at 1. Hence, this concern has also been considered and addressed, with management and mitigation strategies identified.

Petitioner Calhoun, in his Participant Statement, expresses concern about mail

security. Item No. 14, Vandalism Report, however, states that there have been no recent reports of mail theft or vandalism. The Postal Service explained that customers may place a lock on their mailboxes. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. The Postal Service does not open mailboxes that are locked and does not accept keys for this purpose. Millions of customers receive mail successfully via non-city carrier delivery each day. As such, there exists no reason for expecting that such problems will arise. But should a customer nonetheless remain concerned, a customer's mail can be put on hold, or P.O. Box service utilized. Mail can be put on hold by a phone call or online. If a customer often needs their mail held, hold cards are available at the Post Office that the customer can leave in their mail box. FD, at 3-4; Item No. 23, Customer Questionnaire Analysis, at 3; Item No. 36, Proposal, at 4; Item No. 40, Analysis of 60-Day Posting Comments, at 1; Item No. 41, Revised Proposal, at 3.

Security concerns were also addressed during the course of the discontinuance study. At first, the Postal Service advised customers that the Postal Service was considering rural route service, without specific mention of CBUs. Item No. 21, Letter to Postal Customer, at 1. Because of concerns expressed at the community meeting,³⁴ the Postal Service explained in the Revised Proposal that it might provide rural route services to CBUs – secure free-standing units of individually locked mail compartments installed and maintained by the Postal Service with Postal Service-provided locks – rather than to regular rural boxes. Item No. 41, Revised Proposal, at 2. This would

³⁴ Item No. 25, Community Meeting Analysis, at 2.

provide more secure options that customers were seeking. In the Final Determination, the Postal Service stated that service would be provided to CBUs, which today offer parcel lockers. See FD, at 2.³⁵

Upon implementation of the Final Determination, delivery and retail services will be provided to CBUs and roadside receptacles by rural route service under the administrative responsibility of various Post Offices. In addition to rural delivery, customers may also access postal services at the Jefferson Post Office, located 9 miles away. The window service hours of the Jefferson Post Office are from 8:00 a.m. to 4:00 p.m., Monday through Friday. FD, at 2; Item No. 36, Proposal, at 3; Item No. 41, Revised Proposal, at 2. In addition, customers may also receive postal services at the Kildare Post Office, which is located five miles away. The window service hours of the Kildare Post Office are from 7:30 a.m. to 3:15 p.m. FD, at 2; Item No. 36, Proposal, at 3; Item No. 41, Revised Proposal, at 2. Furthermore, the special attention and assistance provided by the personnel at the Lodi Post Office will be provided by personnel at other Post Offices and from the carrier. Thus, the Postal Service has properly concluded that all Lodi, Texas customers will continue to receive regular and effective service via rural route delivery to CBUs installed on the carrier's line of travel.

Effect Upon the Lodi, Texas Community

The Postal Service is obligated to consider the effect of its decision to close the Lodi Post Office upon the Lodi, Texas community. 39 U.S.C. § 404(d)(2)(A)(i). While

³⁵ See FD, at 2. Although Petitioner Cornett, in her Participant Statement, at 5, states that her family “has decided ... not ... to allow the placement of CBU lockers on [its] land” there are other locations where CBUs can be used.

the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Lodi, Texas is an unincorporated community located in Marion County. The community is administered politically by Marion County. The Marion Sheriff Department provides police protection. Fire protection is provided by Marion County. FD, at 7; Item No. 16, Community Survey Sheet, at 1; Item No.36, Proposal at 8; Item No. 41, Revised Proposal, at 8. The questionnaires completed by Lodi, Texas customers indicate that, in general, those involved in oil drilling, retirees, ranchers, farmers, commuters, and those who commute to work at nearby communities and those who may work in local businesses must travel elsewhere for other supplies and services. See generally, FD, at 7; Item No. 36, Proposal, at 8; Item No. 41, Revised Proposal, at 9; Item No. 22, Returned customer questionnaires and Postal Service response letters, at 43, 46, 48, 50, 54, 56, 58, 60, 64, 66, 68, 70, 72, 74, 80, 85, 87, 89, 92, 94, 98, 100, 104, 107, 109, 111, 113, 115, 117, 119, 121, 124, 126, 128, 130, 132.

The Petitioners raise the issue of the effect of closing the Lodi, Texas Post Office upon the Lodi, Texas community, contending that the Postal Service did not consider the opinions expressed at the community meeting. Contrary to the assertions of the Petitioners, the Postal Service did take into consideration the concerns expressed by Lodi Post Office customers who attended the June 7, 2011 community meeting. Item No. 25, Community Meeting Analysis, lists 26 concerns that were expressed at the

meeting, and the Postal Service's responses to those concerns. Many of these concerns, as well as the Postal Service responses, are included in the FD, Item No. 36, Proposal, and Item No. 41, Revised Proposal.

In addition, Petitioners express concerns about the need to maintain the community name and that the Lodi Post Office has had a continuous presence in the town, is a landmark in the community, and plays an important role in the community. Also, petitioners are concerned about the impact of the discontinuance of the Lodi Post Office on the businesses and social life of Lodi, Texas, emergency services and those who move to Lodi, Texas. These issues were extensively considered by the Postal Service, as reflected in the administrative record.

Petitioner Cornett, in her Participant Statement exclaims that “[w]ithout our [ZIP C]ode they will likely take us off the map.” The Postal Service explained that the Postal Service is addressing community identity to the extent it can by continuing the use of Lodi, Texas in addresses. FD, at 2; Item No. 23, Questionnaire Analysis, at 2; Item No. 25, Community Meeting Analysis, at 1; Item No. 36, Proposal, at 3; Item No. 40, 60-Day Posting Comments, at 2; Item No. 41, Revised Proposal, at 2.

As for Petitioner Calhoun's concerns that the Lodi, Texas Post Office is a landmark in the community and plays an important role in the community, the Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name—and the community will apparently retain this identity even without a Post Office. The record makes clear that the Postal Service is addressing such concerns through preservation of the community identity by continuing

the use of Lodi, Texas in addresses. FD, at 2-3; Item No. 23, Customer Questionnaire Analysis, at 2; Item No. 25, Community Meeting Analysis, at 1; Item No. 36, Proposal, at 3, 4; Item No. 40, Analysis of 60-Day Posting Comments, at 2; Item No. 41, Revised Proposal, at 2, 4.

Petitioner Calhoun expresses concern about the effect on businesses and the social life of Lodi, Texas, using terms that simply reflect his disagreement with the Postal Service decision. The law, however, does not make the decision his; instead the decision is reserved exclusively to the Postal Service with—as the Commission would like to make clear—limited oversight by the Postal Regulatory Commission. Petitioner's concerns are thus noted for all concerned, but they are not dispositive. The Postal Service explained that the growth of a community does not depend on the location of a Post Office. Based on information obtained by the Postal Service, it was determined that there has been minimal growth in the area in recent years. In addition, the Lodi Post Office averages 13 daily transactions amounting to 15 minutes' workload. Carrier service should accordingly be quite capable of accommodating any future growth. Item No. 25, Community Meeting Analysis, at 2; Item No. 36, Proposal, at 6.

Petitioner Calhoun expressed concern about the impact of the closing of the Lodi, Texas Post Office on emergency services, but did not explain how confusion would result from the maintenance of the Lodi, Texas community name in addresses, accompanied by a change to the ZIP Code of the Post Office from which rural route service emanates. The Postal Service explained that 911 addresses are generally given by the county's 911 coordinator. The Postal Service does not establish 911

addresses. Any questions concerning a customer's 911 address should be directed to the 911 coordinator in the country where the customer is located. FD, at 5; Item No. 23, Customer Questionnaire Analysis, at 2; Item No. 25, Community Meeting Analysis, at 1; Item No. 36, at 5.

Petitioner Calhoun also expressed concern about the impact of the discontinuance of the Lodi, Texas Post Office on those who move to Lodi, Texas. The Postal Service explained that customers will be assigned a 911 address, and will continue to use the community name associated with their actual location. Mail will be forwarded in accordance with postal regulations. Change of address forms are available online at usps.com or from the Postal Service to assist customers in notifying correspondents of the change. FD, at 3; Item No. 36, Proposal, at 6; Item No. 41, Revised Proposal, at 6.

Communities generally require regular and effective postal services and these will continue to be provided to the Lodi, Texas community. In addition, the Postal Service has concluded that nonpostal services provided by the Lodi Post Office can be provided by the Jefferson Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD, at 7; Item No. 41, Revised Proposal, at 8.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Lodi Post Office on the community served by the Lodi Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Lodi, Post Office and would still provide regular and effective service. Item No. 21, Letter to Postal Customer, at 1. The estimated annual savings associated with discontinuing the Lodi Post Office are \$44,349. FD at 8; Item No. 29, Proposal Checklist, at 2; Item No. 3[6], Proposal at 9; Item No. 41, Revised Proposal, at 9. Economic factors are one of several factors that the Postal Service considered. Economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record and consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD at 9; Item No. 3[6], Proposal, at 9; Item No. 41, Revised Proposal, at 9.

Petitioner Cornett attached to her Participant Statement two versions of the second pages of Item No. 15, Post Office Survey Sheet, and Item No. 17, Rural Route Cost Analysis Form. Petitioner Cornett also noted that the total annual cost for replacement service (annual cost minus lock pouch allowance) of \$6,407.37 that appears in Item No. 17, Rural Route Cost Analysis, at 2, is different than the estimated cost of replacement service of “\$7,633” that appears in Item No. 29, Proposal Checklist, at 2 and FD, at 8. As discussed above, Petitioner does not provide sufficient facts regarding her collection of the different versions to allow the Postal Service room for a full response; but different versions were circulated publicly so it is possible that she

collected them. The versions of the documents that matter, however, are those filed in the administrative record in this proceeding because those were the ones relied upon by the Postal Service for purposes of the final determination, rather than preliminary decisions. Different estimates exist because a second estimate was developed that accounts for delivery points and miles added to routes, as well as one time costs of CBU/parcel locker installations. The difference in the annual cost of replacement service in the two estimates, which is the difference between \$7,633.27 and \$6,407.37, is a modest \$1,225.90. Even if one takes into account the \$4,000 one-time cost of CBU/parcel locker installation in the estimate with the higher annual cost of replacement service,³⁶ the effect on the total estimate of \$44,349 in annual savings resulting from the use of one or the other estimate is relatively minimal.

Petitioner Calhoun criticizes the small amount of savings to the Postal Service that would result from the discontinuance of the Lodi, Texas Post Office. The Postal Service explained that carrier service is more cost-effective than maintaining a postal facility and postmaster position. Item No. 25, Community Meeting Analysis, at 2; Item No. 36, Proposal, at 6; Item No. 41, Revised Proposal, at 6.

Petitioner Calhoun questioned whether the cost of carrier service and increase of cost for the Bivins Post Office had been calculated accurately. The responsible personnel are well versed in the costs of replacement service and relied upon their experience to make the calculation here. The Postal Service has every reason to

³⁶ FD, at 8.

believe that the calculation in the record is reasonably accurate, and the Petitioner does not provide a reason to believe otherwise.

Petitioner Calhoun claims that the Postal Service did not adequately review the possibility of limiting the hours of operation of the Lodi, Texas Post Office. This issue was raised, and the Postal Service stated that it was not an option. Item No. 25, Community Meeting Analysis, at 12 Item No. 36, Proposal, at 5; Item No. 41, Revised Proposal, at 5.

Petitioner Cornett also questions the calculation of the Postmaster salary and fringe benefits that was used in the estimate of annual savings that appears in the FD, at 9. However, the economic savings calculation conducted as a part of a discontinuance study is forward-looking; that the Postal Service may have paid less in salary and benefits over the past years does not mean that it could count on those savings annually in the future. If the Lodi Post Office closes, one career slot will be eliminated. If the Post Office is not discontinued, that slot would have been filled with a career employee, and the salary and benefits to be paid would be as shown for a postmaster.

The Postal Service determined that rural carrier service is more cost-effective than maintaining the Lodi, Texas postal facility and postmaster position. FD, at 9. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent

with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

Petitioner Calhoun and Petitioner Cornett mention the effect of the discontinuance of the Lodi Post Office on personnel working at the Lodi Post Office. As documented in the record, however, the impact on postal employees is minimal. The relevant section of the statute, 39 U.S.C. § 404(d)(2)(A)(ii), applies to career employees; however, the Postal Service attempts also to minimize impacts upon temporary employees such as the PMR serving as OIC in the Lodi Post Office. The postmaster retired on September 30, 2007.³⁷ Since the postmaster vacancy arose, an officer-in-charge (“OIC”) has been installed to operate the office. The noncareer postmaster relief (“PMR”) serving as the OIC may be separated from the Postal Service.³⁸ Attempts will be made to reassign the employee to a nearby facility. The record shows that no other employee would be affected by this closing. FD at 9; Item No. 3[6], Proposal, at 9; Item No. 41, Revised Proposal, at 9.

The concerns raised by petitioners about the effect on employees were addressed by the Postal Service.

Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Lodi, Texas Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

³⁷ See note 11.

³⁸ FD at 2, 8, 9; Item No. 21, Letter to Postal Customer from Manager, Post Office Operations, Coppell, Texas (“Letter to Customer”), at 1; Item No. 33, Proposal, at 2, 9. (Item No. 21, page 1 was filed in United States Postal Service Notice of Supplemental Filing, PRC Docket No. A2012-26, December 12, 2011.)

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Lodi, Texas Post Office on the provision of postal services and on the Lodi, Texas community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to customers in and near Lodi, Texas. FD, at 9. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Lodi, Texas Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Lodi, Texas Post Office be affirmed.

Respectfully submitted,

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